



JIM GIBBONS
Governor

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING
400 W. King Street, Suite 101
Carson City, NV 89703
(775) 684-7060 Fax (775) 684-7061
www.mld.nv.gov

DIANNE CORNWALL
Director

JOSEPH L. WALTUCH
Commissioner

October 1, 2009

To: All Mortgage Brokers, Mortgage Bankers, Mortgage Agents,
Qualified Employees and Pending Applicants

Pursuant to the requirements in Assembly Bill 523, a mortgage broker or mortgage banker who wishes to engage in activities as a residential mortgage loan originator or supervises a mortgage agent who engages in activities as a residential mortgage loan originator must obtain and maintain a license as a mortgage agent. Pursuant to regulation, all mortgage broker qualified employees are required to hold a mortgage agent license. Mortgage banker qualified employees who engage in or supervise residential mortgage loan activity, also need to hold a mortgage agent license.

Additionally, any employee or independent contractor of a mortgage banker who engages in activities as a residential mortgage loan originator must be licensed as a mortgage agent. However, please note that pursuant to AB 523, all mortgage agents must be employed as employees, not independent contractors. Affected individuals who are currently employed by a licensed mortgage banker and are now subject to the new licensing requirement may continue to conduct activity during the licensing process.

Initial applicants for a mortgage agent license who have not been issued a license by the Division before October 1, 2009, are required to complete pre-licensing education (see below) as well as successfully pass the PSI test. The vendor administering the test on behalf of the Division of Mortgage Lending is PSI. The [candidate information bulletin](#) posted on the Division's Web site provides information on the test and has a link to the PSI Web site to register for the test.

The pre-licensing education requirements for mortgage agent applicants and the continuing education requirements for licensees are as follows:

Pre-Licensing Education Requirements

Initial applicants must complete 30 hours of certified courses of instruction:

- At least 15 of the 30 hours of instruction must be live/classroom instruction
- The 30 hours of instruction must include:
 - 4 hours of ethics, which shall include instruction on fraud, consumer protection and fair lending issues
 - 12 hours of federal law and regulations relating to mortgage lending, including 2 hours of training related to subprime lending and other non-traditional mortgage products
 - 4 hours of Nevada law and regulations relating to mortgage lending and
 - 10 hours of electives*

* Qualified employees must complete at least 4 of the 10 hours of electives in instruction relating to office policy and procedure, risk management, errors and omissions, affiliated business arrangements, labor relations, general management principles, loan prequalification and loan processing.

Continuing Education Requirements

In order to renew their license, licensees are required to complete 10 hours of certified courses of continuing education in the 12-month period immediately preceding the date on which the license expires. In other words, hours of continuing education completed in excess of 10 hours may not be carried forward.

- Of the 10 hours of certified courses of continuing education, licensees must complete a minimum of:
 - 3 hours of federal law and regulations
 - 2 hours of Nevada law and regulations
 - 2 hours of professional ethics at least every other year, which shall include instruction on fraud, consumer protection and fair lending issues and
 - 2 hours of training related to subprime lending and other non-traditional mortgage products, commercial lending or private investor loans

Licensees may not complete the same approved course in the same or successive year to meet the annual requirements for continuing education unless the course material has been updated from the prior year and approved by the Division.